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9 March 1954

2003

MEMORANDUM FOR: Chief, WH

SUBJECT : Progress Report - PBSUCCESS for the Period 2-8 March 1954

I. Operational - The following events of operational significance occurred during the reporting period:

- A. Information was developed that the Guatemalan Ambassador to [] is in financial difficulty. Plans are now being formulated to attempt his recruitment through [] (Action: [])
- B. Safehouse B at Lincoln was subjected to heavy surveillance during the period. Subsequent investigation revealed that the surveillance was not being performed by any known American organizations. This safehouse has been discontinued and will be turned back to its landlord in the immediate future. Of particular interest is the fact that this was the safehouse used by Lincoln in debriefing CALLIGERIS and [] during January 1954.
- C. A report was received in Headquarters that President REMON of Panama had reinstated Jorge DELGADO, reputed Guatemalan agent, and discredited CALLIGERIS and his group. This is particularly disturbing because it paves the way for Guatemala to re-establish contact with DELGADO to continue debriefing him re the CALLIGERIS group.
- D. Approval was granted for [] trip to Mexico City to co-ordinate the activities of the anti-Communist congress tentatively scheduled for early May.
- F. ^{Gallardo} was notified of the [] desire that ^{Razmara} he be transferred from Guatemala in the immediate future. The [] are becoming suspicious of []'s irregular hours and large expense account. Plans are being made to transfer [] and change [] at the earliest possible date.
- G. A definitive plan for implementation of the Sherwood Program on Santa Fe was submitted to ^{Gallardo} [] for his consideration. This plan with attachments prepared in WHD will be submitted to [] at the regular meeting of PBSUCCESS on 9 March 1954. ^{Kudow}
- H. Since December 1953 Station Lincoln has requested POCs and P/CSCs on 150 persons; in addition they have requested 10 SI checks -- a total of 160 requests. To date 148 clearances have been received and forwarded to Lincoln.

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- I. Friday, 5 March 1954, Guillermo TORIELLO, Chief of the Guatemalan Delegation to the Tenth Inter American Conference at Caracas, Venezuela, openly attacked the United States and accused them of direct intervention in Guatemala. His speech was received with considerable enthusiasm by the Latin American bloc. Analysis of the speech indicates that Sr. TORIELLO did not reveal any information other than that which had been previously published in the "White Paper" of 29 January 1954.

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- J. , representative to the OAS Conference, advised Headquarters subsequent to Secretary of State DULLES' speech, that Mr. DULLES did not intend to engage in a battle of incriminations with Guatemala, but rather he intended to make a play for unity of action by the Latin American bloc against Communism. also advised Headquarters that the Secretary of State informed him that he did not desire to embark on any irrevocable course of action until he, the Secretary, had returned to Washington and had reviewed the PBSUCCESS Operation with the appropriate Agency officials.

Goodbourne

- K. The major PP effort during the period was directed toward ridiculing the "White Paper". Different PP operations designed to call for the covert support of an anti-Communist stand at the Caracas Conference were mounted in Mexico, Cuba, Panama, Colombia, Chile, Uruguay, and Brazil. Additional support for PP operations was provided by who has prepared anti-Guatemalan propaganda material now ready for shipment to Station Lincoln.

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II. Administrative

- A. Logistics - During the reporting period two C-124s were used to complete four air freight flights from Andrews Field to [] lifting a total of 175,000 lbs. of material. The PBSUCCESS Operations Desk has been advised informally by the Air Maritime Division that the total cost incurred to date on the air freight lift is approximately [] It is estimated that three more trips to [] are required, and coupled with the cost of returning the aircraft to [] expenses will amount to []
- B. Finance - At the request of Lincoln, an advance of [] was drawn and pouched to Lincoln on 5 March. This sum was required to maintain the approved "on hand" balance of [] for Station Lincoln.

III. Personnel

- A. Station Lincoln has requested that one commo clerk, one enlisted man, and two additional local guards now on duty with the Project FJHOPEFUL be retained at FJHOPEFUL for an indefinite period to support the PBSUCCESS Operation. The Chief, WH Admin has stated that he does not have authority to extend the tours of duty on the above personnel. PBSUCCESS/Admin is discussing with WH/Admin the possibility of reimbursing WH budget from PBSUCCESS allotment, thereby eliminating the need for obtaining additional T/O slots and other such routine administrative matters.

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- outside*
- B. travelled to Headquarters on 1 March 1954 to procure a commercial passport and credentials.
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- C. spent two days in Headquarters working on the PRSUCCESS PP program with Chief, PP, and *WHD.*
- WHD.*
- D. Station Lincoln advised Headquarters that *'s cover* had thinned to the point that he was no longer of value to WHD. Plans are being made to return *WHD.* to Headquarters for re-assignment.

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